

March 19, 2010

Maine Milk Commission Meeting Minutes
Deering Building, Room 233
Augusta, Maine 04333

Notices for the March 19, 2010 meeting were distributed to Commission members, intervenors and other interested parties February 19, 2010 and sent to the Secretary of State's Office for posting on February 22, 2010.

Commission Present: Colon Durrell, Richard Cook, John Joseph, Mark Hedrich, *ex-officio* and Chairman Michael Wiers.

Commission Absent: None

Department Officials: None

Staff Present: Tim Drake, Executive Director, Audrey Shorty Resource Administrator and Carol Gauthier, Office Associate

Legal Counsel: Amy Mills, AAG

Intervenors Present: John Blake, H.P. Hood, Inc., Thomas Brigham, Oakhurst Dairy, Stephen Pyne, DMS, Dale Cole, President of the Maine Dairy Industry Association (MDIA) and Julie-Marie Bickford, Executive Director of MDIA.

Others Present: Clayton Davis, DFA/DMS, Fred Hardy of MDIA, John and Belinda Stoughton, Dairy producers, also Ruby Hardy and Mary Frank, public attendees.

Chairman Wiers called the meeting to order at 1:40 p.m.

Agenda Item 1: Minutes: John Joseph made a motion to accept the minutes of the February 19, 2010 meeting. Colon Durrell seconded. Motion passed 4-0.

Agenda Item 2: Amy Mills, Assistant Attorney General: None.

Agenda Item 3: Minimum Prices:

Tim Drake reported that there is a prevailing premium of \$1.10/cwt on Class I for April 2010 reported by Dairy Marketing Services (DMS) and Agri-Mark Cooperative. In addition to this premium, both Agri-Mark and DMS reported that an additional \$0.43/cwt for milk that comes from producers who do not treat their cows with the rBST hormone will be in affect. Federal Order One Class I price for April is \$16.47. He explained that a schedule was prepared using this information plus a producer cost of production adjustment (COPA) of \$1.58/cwt. He stated that this price schedule was for information purposes and that the Commission was not bound to it, and should make their pricing determination after hearing testimony.

Chairman Wiers asked for testimony from the intervenors.

Julie-Marie Bickford stated that the recent price drops do not bode well for producers; this is putting additional stress on them. She stated further that the producer's confidence is not very good right now and that obtaining financing could become a problem for some farms soon. She also stated that retail prices have remained high while prices received by producers have dropped.

Dale Cole informed the commission members that he has received quite a few telephone calls from distressed producers; he stated that even large farms were in trouble. He also pointed out that retail prices have remained high.

Commissioner Joseph asked why prices were trending downward and if the “tier” program was no longer in effect.

Julie-Marie Bickford answered that the “tier” program was still working but then explained the budget cap that has been placed on “tier” program expenditures.

Dale Cole answered that the prices to producers were dropping because of the failed price discovery system.

It was noted by Colon Durrell that prices were forecasted to drop for another two months.

No other testimony was offered.

Colon Durrell made a motion to accept order 04-10 as prepared with a producer margin of \$1.58/cwt. John Joseph seconded this motion. The motion passed 4-0

Agenda Item 4: Maine Monthly Price Survey: The Commission reviewed the Maine price survey for March 2010 which included prices for Augusta, Bangor/Brewer, Palmyra, South Portland and Brunswick. Tim Drake informed the commission members that he had done price surveys in South Portland for the last two months and asked if this was acceptable. He was instructed to continue this practice. IAMCA price survey information was not available.

Agenda Item 5: Next Scheduled Meetings:

- April 23, 2010, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- May 21, 2010, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- June 18, 2010, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- July 23, 2010, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME

Agenda Item 6: Other:

1. **Milk Commission Budget:** The Commission reviewed the latest budget summary and Tim Drake updated the Commission members on the new database progress. OIT has started working on a new database and hopes to have a working version by June 1, 2020.
2. **IAMCA Annual meeting information:** Tim Drake gave the commissioners a packet containing information about the upcoming annual meeting to be held in Regina, Saskatchewan.

Agenda Item 7: Executive Session: The Commission did not go into Executive Session.

Adjourned: Adjourned at 2:10 p.m. March 19, 2010.

Tim Drake, Maine Milk Commission